

_____ BILL NO. _____

INTRODUCED BY _____
(Primary Sponsor)

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT A SATELLITE VIDEO LIVESTOCK AUCTION MARKET THAT IS CONDUCTING BUSINESS IN MONTANA AS A LICENSED LIVESTOCK DEALER MAY CONDUCT NOT MORE THAN THREE ANNUAL VIDEO AUCTION BROADCASTS ORIGINATING IN MONTANA WITHOUT BEING REQUIRED TO BE CERTIFIED AS A LIVESTOCK MARKET; AMENDING SECTION 81-8-264, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 81-8-264, MCA, is amended to read:

"81-8-264. Satellite video livestock auction market -- license to transact business -- license fee -- contract -- renewal. (1) A satellite video livestock auction market may transact business in this state only through a licensed livestock dealer or through a livestock market that is ~~domiciled~~ located in the state.

(2) A livestock dealer or a livestock market that proposes to transact business with a video auction market shall file an application for a license with the department on a form prescribed by the department with the following information:

(a) the nature of the business for which a license is requested;

(b) the name and address of the livestock dealer or the livestock market;

(c) the name and address of the video auction market; and

(d) any additional information that the department may require.

(3) The application must be accompanied by:

(a) a fee established by the department commensurate with the costs of administering 81-8-265 and this section;

(b) evidence that the department may require indicating that the video auction market is financially responsible and bonded to transact business and has established a custodial account for shippers' proceeds; and

(c) a copy of the contract between the licensed livestock dealer or the livestock market and the video auction market. The contract must provide:

1 (i) for reasonable access by the department to all records and documents relating to the activities of the
2 video auction market; and

3 (ii) that the livestock dealer or the livestock market and the video auction market are jointly and severally
4 liable, with the right of contribution, for all business transacted within the state.

5 (4) If the contract described in subsection (3)(c) is terminated, rescinded, breached, or materially altered,
6 the livestock dealer or the livestock market shall immediately notify the department. Failure to notify the
7 department is considered to be:

8 (a) a failure to keep and maintain suitable records with the department; and

9 (b) a false entry or statement of fact in an application filed with the department.

10 (5) On or before May 1 of each year, a livestock dealer or a livestock market shall renew the license by
11 fulfilling the requirements of subsections (1) through (4).

12 (6) The license fee must be remitted to the state treasurer to the credit of the department.

13 (7) A video auction market that is conducting business in Montana as a licensed livestock dealer may
14 conduct not more than three annual video auction broadcasts originating in Montana without being required to
15 be certified as a livestock market."

16
17 NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

18 - END -